

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK  
RATIONALIZATION SERVICE CHANGES, 2011

Docket No. N2012-1

INSTITUTIONAL RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO PUBLIC REPRESENTATIVE INTERROGATORY PR/USPS-4  
(April 19, 2012)

The United States Postal Service hereby provides its response to the above-listed interrogatory of the Public Representative. The interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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**PR/USPS-4**

Please refer to USPS-LR-N2012-1/NP10, file 'modstour2010-np.csv'

- a. Please confirm that this file contains 21,042,431 observations.
- b. Please confirm that there are 15,379,904 observations that do not have positive volumes (the sum of TPH, FHP, N-TPH and TPF) and positive hours.
- c. If you do not confirm please provide the SAS code that would eliminate observations that do not have positive hours and positive volumes.
- d. If you do confirm, please identify the major reasons why approximately 70 percent of the observations do not have both positive volumes and hours.

**RESPONSE:**

- a. Confirmed.
- b. The Postal Service's analysis found 15,376,701 observations that do not have both positive hours and positive workload.
- c. The Postal Service's tabulations for parts a and b were computed with the following Stata commands:

```
insheet using modstour2010-np.csv, double  
gen sumworkload=fhp+tph+nonaddtph+tpf  
tab operation if ~(sumworkload>0 & hours>0)
```

- d. The major reasons are as follows:
  - 1. The data requirement for many MODS operation numbers is to record workhours only.
  - 2. Workload reporting is optional for some MODS operation numbers.
  - 3. Some workhours for an operation may be recorded in a tour adjacent to the tour in which the associated workload is recorded.

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4. Employees may not clock into a new operation number when the sort scheme changes in a distribution operation (e.g., from a primary to a secondary distribution operation).
5. Workloads for some MODS operation numbers are auto-credited based on flows from automation or other volumes, notably manual distribution operations.
6. Some MODS operation numbers are designated as TACS default codes, and thus may accumulate workhours via TACS when the operation is not in use.

Reasons (1) and (2) account for a majority of the observations from part (b) of this response – approximately 9 million observations. Reasons (3) and (4) likely account for most such observations of operations associated with automated or mechanized sorting equipment. Reasons (3) through (5) likely account for most such observations of manual distribution operations and allied labor operations where workload reporting is required. Considering these factors, much of the apparently anomalous data at this level of disaggregation will be valid upon aggregation over operations (e.g., to mail processing cost pools) or time.

Reason (6) is a relatively minor consideration overall, though it may account for a large fraction of the observations for affected MODS operation numbers.